

JENNIFER M. GRANHOLM

STATE OF MICHIGAN OFFICE OF THE STATE BUDGET LANSING

ROBERT L. EMERSON DIRECTOR

February 26, 2007

MEMORANDUM

TO:

Directors of Departments and Autonomous Agencies

FROM:

Robert L. Emerson

State Budget Director

SUBJECT: Executive Directive 2007-7, Restrictions on Expenditures

for Membership in Associations and Organizations

Executive Directive 2007-7 establishes restrictions for membership in organizations for Executive Branch departments and autonomous agencies through September 30, 2007.

This memorandum supersedes and replaces the November 26, 2003, communication on this topic and outlines procedures necessary to implement Executive Directive 2007-7.

Restrictions on Payment of Membership Dues

No department or agency shall pay dues for membership in an association or organization without prior review and approval by the State Budget Office.

Any new or renewal membership on behalf of the state as a whole, a department, an agency, or a unit within a department is subject to these membership restrictions.

No state funds may be expended for new or renewal membership in associations and organizations unless the department demonstrates to the State Budget Director that the membership meets one or more of the following criteria and the State Budget Director authorizes payment:

Directors of Departments and Autonomous Agencies February 26, 2007 Page 2

- The financial benefit of the membership to the state outweighs the cost of the membership.
- 2. The membership has the potential to generate federal or other non-state funds for use by the State of Michigan.
- 3. The membership is mandated by law, required by Civil Service job classification, or required by collective bargaining agreement.
- 4. The membership is necessary to protect the health, safety, defense, or well-being of Michigan residents and visitors.

The department director or his/her designee must establish procedures to ensure the cost of the membership is the lowest membership rate available. The membership cost must be the minimum cost required for membership in the association or organization.

The attached form (signed by the department director or his/her designee) may be used to request prior authorization for payment of new or renewal memberships. The attached form may also be used to secure payment authorization for a membership in situations where an exception to the abovementioned restrictions may be warranted. This form is also available on the State Budget Office Web site at http://www.michigan.gov/budget.

I appreciate your cooperation in implementing this directive. If you have any questions concerning these procedures, please contact Nancy W. Duncan, Deputy State Budget Director at (517) 373-0870.

Attachments:

- 1) Membership Dues Authorization Form DMB 100d (http://www.michigan.gov/budget)
- 2) Executive Directive 2007-7
- cc: Mary A. Lannoye, Chief of Staff
 Teresa Bingman, Deputy Chief of Staff
 Nancy W. Duncan, Deputy State Budget Director
 Agency Budget Directors
 Internal State Budget Office Distribution

Office of the State Budget Romney Bldg., 6th Floor

MEMBERSHIP DUES AUTHORIZATION Authority: Executive Directive 2007-7

Instructions: Please complete and submit to: Nancy Duncan, Deputy State Budget Director.

(Please use one form for multiple memberships for same organization.)

All items must be completed. Incomplete forms will be returned to the agencies for resubmission.

Department/Agency		Bureau/Office
Division		Section/Unit
Membership Association or Organization Name: Address: City, State and Zip: Web Address:		Membership on Behalf of State as a Whole Department Unit Within Department (Specify): Joint with Other State Agency (Specify): Individual Membership For (Name):
New Membership Renewal Membership		Membership Period Start Date Membership Period End Date
The membership is mandated by law	generate federal or other no , required by Civil Service job sect the health, safety, defense	on-state funds for use by the State of Michigan. b classification, or required by collective bargaining agreement. se, or well-being of Michigan residents and visitors.
Total Cost (Enter Total Annual Cost) \$ GF/GP (Enter \$ Amount or % to be Charge	d to GF/GP Funds)	
Federal (Enter \$ Amount or % to be Charged to Federal Funds)		Specific Federal Funding Source (in Words)
Other (Enter \$ Amount or % to be Charged to St	ate Restricted or Other Funds)	Specific State Restricted or Other Funding Source (in Words)
† Signature (Department Direct	or or Designee) ↑	↑ Date ↑
Official Budget Office Use	Date Received	Request Number
Request Recommended		Request Denied
† Budget Director or Authorized Signature †		↑ Date ↑
B 100d bruary 2007 ease Return Form to:		Bureau/Section: Fax Number:



JENNIFER M. GRANHOLM GOVERNOR

STATE OF MICHIGAN OFFICE OF THE GOVERNOR LANSING

JOHN D. CHERRY, JR. LT. GOVERNOR

EXECUTIVE DIRECTIVE No. 2007 — 7

TO:

Department Directors and Autonomous Agency Heads

FROM:

Governor Jennifer M. Granholm

DATE:

January 24, 2007

SUBJECT: Restrictions on Expenditures for Membership in Associations

and Organizations

The economic conditions currently facing the citizens and government of this state and the resulting fiscal difficulties for our state budget are detailed in Executive Directive 2007-1. Given the severity of the state budget constraints, I am issuing this Directive now, which has as its objective reduction in expenditures by departments and agencies within the Executive Branch of state government. While I recognize that resources are already scarce, and that greater efficiencies already have been achieved in the administrative operations of state departments and agencies, it is critical to implement additional efforts to reduce costs and curtail spending.

State departments and agencies participate in numerous associations and organizations. Many of these organizations provide valuable information on programs and policies of other units of government that are addressing many of the same issues facing the State Michigan. On some occasions these organizations engage in advocacy on public policy issues before the state and federal government and international bodies. To ensure the maximum effectiveness from the state's participation in such organizations, it is important that affiliations and memberships be identified and any resulting financial benefits to the State of Michigan be quantified. Accordingly, I direct:

RESTRICTIONS ON EXPENDITURES FOR MEMBERSHIP IN T. ASSOCIATIONS AND ORGANIZATIONS

State departments and agencies within the Executive Branch of state government shall not expend state funds for membership, including employee membership, in a organization or association unless the department or organization demonstrates to the satisfaction of the State Budget Director that the financial

benefit to the State of Michigan of state participation in the organization or association outweighs the cost to the state, that participation in the organization or association has the potential to generate federal or other non-state funds for use by the State of Michigan, that participation is mandated by law, or that participation is necessary to protect the health, safety, defense, or well-being of Michigan residents and visitors. No department or agency within the Executive Branch of state government shall pay dues for membership in an association or organization, whether for the state as a whole, a department, an agency, a unit within a department or agency, or an employee or contractor, without prior review and approval by the State Budget Director.

B. Department directors and heads of autonomous agencies are responsible for determining situations where an exception to the restrictions imposed by this Directive are warranted and securing advance authorization from the State Budget Director.

II. ENFORCEMENT

- A. State department directors and autonomous agency heads are directed to closely and regularly monitor expenditures for memberships to ensure close compliance with the spirit of this Directive and the efficient expenditure of tax dollars.
- B. The State Budget Director shall take all actions necessary to enforce the requirements of this Directive, consistent with Michigan law. All departments and agencies shall assist the State Budget Office, as necessary, in implementing this Directive.
- C. In exercising general supervisory control over the functions and activities of all administrative departments, boards, commissioners, and officers of the state, and of all state institutions, as required under Section 3 of 1921 PA 2, MCL 17.3, the State Administrative Board shall monitor compliance with the requirements of this Directive.
- D. Violations of the requirements of this Directive shall be reported to the State Budget Director and to the Secretary of the State Administrative Board.
- E. The State Administrative Board may take action to enforce the requirements of this Directive as authorized under 1921 PA 2, MCL 17.1 to 17.3.

III. MISCELLANEOUS

A. Authorized expenditures of state funds for membership in an organization or association shall be conducted in the most cost-effective manner that is reasonable.

- B. This Directive supersedes Executive Directive 2003-21, which is rescinded. Executive Directive 1995-1 remains rescinded.
- C. This Directive is effective immediately and remains in effect through September 30, 2007.

I extend my sincere appreciation for your assistance and the continued hard work of state employees as we respond to the state's difficult fiscal condition.



JENNIFER M. GRANHOLM

GOVERNOR